

Fiscal Year 2017

**The Low Income Home Energy Assistance Program
(LIHEAP)**

State Plan and Application

**Submitted To:
U. S. Department of Health and Human Services
Administration for Children
Office of Community Services**

June 2016

**Administered By:
Massachusetts Department of Housing
& Community Development**

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

DETAILED MODEL PLAN

PUBLIC LAW 97-35, AS AMENDED

FEDERAL FISCAL YEAR 2017

GRANTEE: Commonwealth of Massachusetts

EIN: 1-046002284-K4

DUNS: 824848162

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CHECK ONE: **TRIBE / TRIBAL ORGANIZATION** ☐ **STATE** ☒ **INSULAR AREA** ☐

**Department of Health and Human Services
Administration for Children and Families
Office of Community Services
Washington, DC 20447**

August 1987, revised 05/92, 02/95, 03/96, 12/98, 11/01

OMB Approval No. 0970-0075

Expiration Date: 04/30/2014 (The Fiscal Year 2017 LIHEAP State Plan will be submitted online to U.S. HHS)

THE PAPERWORK REDUCTION ACT OF 1995 (Pub. L. 104-13)

Use of this model plan is optional. However, the information requested is required in order to receive a Low Income Home Energy Assistance Program (LIHEAP) grant in years in which the grantee is not permitted to file an abbreviated plan. Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Assurances

The Commonwealth of Massachusetts agrees to:
(Grantee Name)

(1) use the funds available under this title to--

(A) conduct outreach activities and provide assistance to low income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, consistent with paragraph (5);

(B) intervene in energy crisis situations;

(C) provide low-cost residential weatherization and other cost-effective energy-related home repair; and

(D) plan, develop, and administer the State's program under this title including leveraging programs,

and the State agrees not to use such funds for any purposes other than those specified in this title;

(2) make payments under this title only with respect to--

(A) households in which one or more individuals are receiving--

(i) assistance under the State program funded under part A of title IV of the Social Security Act;

(ii) supplemental security income payments under title XVI of the Social Security Act;

(iii) food stamps under the Food Stamp Act of 1977; or

(iv) payments under section 415, 521, 541, or 542 of title 38, United States Code, or under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978; or

(B) households with incomes which do not exceed the greater of—

(i) an amount equal to 150 percent of the poverty level for such State; or

(ii) an amount equal to 60 percent of the State median income;

except that a State may not exclude a household from eligibility in a Federal fiscal year solely on the basis of household income if such income is less than 110 percent of the poverty level for such State, but the State may give priority to those households with the highest home energy costs or needs in relation to household income.

(3) conduct outreach activities designed to assure that eligible households, especially households with elderly individuals or disabled individuals, or both, and households with high home energy burdens, are made aware of the assistance available under this title, and any similar energy-related assistance available under subtitle B of title VI (relating to community services block grant program) or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(4) coordinate its activities under this title with similar and related programs administered by the Federal Government and such State, particularly low-income energy-related programs under subtitle B of title VI (relating to community services block grant program), under the supplemental security income program, under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under the low-income weatherization assistance program under title IV of the Energy Conservation and Production Act, or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(5) provide, in a timely manner, that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in clauses 2(A) and 2(B) of this subsection;

(6) to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of this title, to give special consideration, in the designation of such agencies, to any local public or private nonprofit agency which was receiving Federal funds under any low-income energy assistance program or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law on the day before the date of the enactment of this Act, except that—

(A) the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and

(B) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the State shall give special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the Federal fiscal year preceding the Federal fiscal year for which the determination is made;

(7) if the State chooses to pay home energy suppliers directly, establish procedures to --

(A) notify each participating household of the amount of assistance paid on its behalf;

(B) assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment made by the State under this title;

(C) assure that the home energy supplier will provide assurances that any agreement entered into with a home energy supplier under this paragraph will contain provisions to assure that no household receiving assistance under this title will be treated adversely because of such assistance under applicable provisions of State law or public regulatory requirements; and

(D) ensure that the provision of vendor payments remains at the option of the State in consultation with local grantees and may be contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households, including providing for agreements between suppliers and individuals eligible for benefits under this Act that seek to reduce home energy costs, minimize the risks of home energy crisis, and encourage regular payments by individuals receiving financial assistance for home energy costs;

(8) provide assurances that,

(A) the State will not exclude households described in clause (2)(B) of this subsection from receiving home energy assistance benefits under clause (2), and

(B) the State will treat owners and renters equitably under the program assisted under this title;

(9) provide that--

(A) the State may use for planning and administering the use of funds under this title an amount not to exceed 10 percent of the funds payable to such State under this title for a Federal fiscal year; and

(B) the State will pay from non-Federal sources the remaining costs of planning and administering the program assisted under this title and will not use Federal funds for such remaining cost (except for the costs of the activities described in paragraph (16));

(10) provide that such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the State under this title, including procedures for monitoring the assistance provided under this title, and provide that the State will comply with the provisions of chapter 75 of title 31, United States Code (commonly known as the "Single Audit Act");

(11) permit and cooperate with Federal investigations undertaken in accordance with section 2608;

(12) provide for timely and meaningful public participation in the development of the plan described in subsection (c);

(13) provide an opportunity for a fair administrative hearing to individuals whose claims for assistance under the plan described in subsection (c) are denied or are not acted upon with reasonable promptness; and

(14) cooperate with the Secretary with respect to data collecting and reporting under section 2610.

(15) * beginning in Federal fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community action agencies, area agencies on aging and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low-income weatherization or energy crisis intervention programs.

*** This assurance is applicable only to States, and to territories whose annual regular LIHEAP allotments exceed \$200,000. Neither territories with annual allotments of \$200,000 or less nor Indian tribes/tribal organizations are subject to Assurance 15.**

(16) use up to 5 percent of such funds, at its option, to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors, and report to the Secretary concerning the impact of such activities on the number of households served, the level of direct benefits provided to those households, and the number of households that remain unserved.

Certification to the Assurances: As Chief Executive Officer, I agree to comply with the sixteen assurances contained in Title XXVI of the Omnibus Budget Reconciliation Act of 1981, as amended.* By signing these assurances, I also agree to abide by the standard assurances on lobbying, debarment and suspension, and a drug-free workplace.

Signature of the Tribal or Board Chairperson or Chief Executive Officer of the State or Territory.**

Signature: _____
Chrystal Kornegay

Title: _____
Undersecretary, Massachusetts Department of Housing and Community Development

Date: _____

*** Indian tribes/tribal organizations, and territories with annual regular LIHEAP allotments of \$200,000 or less, are not subject to assurance 15, and thus must only certify to 15 assurances.**

**** If a person other than the Chief Executive Officer of the State or territory, or Tribal Chairperson or Board Chairperson of a tribal organization, is signing the certification to the assurances, a letter must be submitted delegating such authority. (ATTACH DELEGATION of AUTHORITY.) The delegation must include authority to sign the assurances, not just to administer the program.**

***** HHS needs the EIN (Entity Identification Number) of the State, territory or Tribal agency that is to receive the grant funds before it can issue the grant.**

In the above assurances which are quoted from the law, "State" means the 50 States, the District of Columbia, an Indian Tribe or Tribal Organization, or a Territory; "title" of the Act refers to Title XXVI of the Omnibus Budget Reconciliation Act of 1981 (OBRA), as amended, the "Low Income Home Energy Assistance Act"; "section" means Section 2605 of OBRA; and, "subsection" refers to Section 2605(b) of OBRA.

Section 1 Description

The Low Income Home Energy Assistance Program (LIHEAP), established as part of the Omnibus Budget Reconciliation Act (P.L. 97-35), is a program through which the federal government makes annual grants to states, tribes, and territories to operate home energy assistance programs for low-income households. States may use LIHEAP funds to help low-income households pay for heating costs, crisis assistance, and other services to reduce the need for energy assistance.

The LIHEAP statute authorizes two types of funds: Formula funds or block grant funds, which are allocated to all states using a statutory formula, and emergency contingency funds, which are allocated to one or more states at the discretion of the federal government in cases of emergency, pursuant to the LIHEAP statute. This is further explained below.

The LIHEAP funding for Fiscal Year 2017 had not been finalized before the preparation of this Plan. During Fiscal Year 2016, of \$3.39 billion enacted, a total of \$3.35 billion was released to states and tribes under the Congressional Continuing Appropriations Resolution 2016.

In anticipation of FY 2017 LIHEAP block grant and based on the President's Budget, approximately \$131.88 million in Fiscal Year 2017 with the possibility a contingency allocation later in the program year, Massachusetts is proposing the program and benefits as outlined below. These plans are subject to final federal fund availability, but represent the most appropriate plan at the present time.

The following summary contains key aspects of the Fiscal Year 2017 LIHEAP in Massachusetts:

- **Program Year:** Will extend from October 1, 2016, to September 30, 2017; heating benefits are available from November 1, 2016 through April 30, 2017. DHCD may anticipate receipt of federal funds by advancing State funds for program operation, which will be reimbursed once Federal funds are received.
- **Forward Funding:** The opening date of the program establishes the official start date for accepting new and recertified applications. However, application processing takes place both before and after these specified dates. These include, but are not limited to, start-up activities, including recertification of applications. Expenditures for these activities are charged to the program year to which the costs relate.
- **Supplemental State Allocation:** In the event the Massachusetts state legislature allocates supplemental LIHEAP funds, those funds shall not be subject to any reimbursement requirement.
- **Benefit Levels:** A maximum benefit of \$760 has been established based on a proposed national allocation as contained in the President's Budget for Fiscal Year 2017 LIHEAP block grant and estimated consumption, income levels, family size, and housing subsidy that result in a cost-based benefit matrix. The benefit levels are subject to change based on final availability of federal funds.

- **Leveraging Initiatives:** For deliverable fuels, the Margin-Over-Rack (MOR) oil pricing method and the Haverhill Area Oil Bid Program shall continue as the major oil savings initiatives. The MOR has a set margin of 50 cents per gallon above the daily average price of heating oil as reported by the Oil Price Information Service (OPIS). DHCD's Community Services Unit (CSU) within the Division of Community Services (DCS) shall continue to be active in the implementation of discounted utility rate offerings for LIHEAP recipients. Although standard enrollment process and billing procedures are currently in place, DHCD shall continue its partnerships with investor-owned and municipal utility companies to implement steps that will accurately capture periodic vendor payment, end of year LIHEAP client consumption, including Performance Measures data.

HEARTWAP (Heating Emergency Assistance Retrofit Task Weatherization Assistance Project) Support: The heating system repair/replacement component shall receive a commitment of \$ 8.5 million, representing 6.4 % of the Massachusetts award, from LIHEAP funds. This allocation shall fund emergency heating cost repairs and replacements for fuel assistance eligible households.

PURPOSE/ALLOCATION OF FUNDS

A. Distribution of Funds

LIHEAP funds shall be allocated to the Local Administering Agencies (LAAs) using the historical formula developed when LIHEAP was originally established. The U.S. Department of Health and Human Services (HHS) awards LIHEAP block grant funds by formula to the 50 states and District of Columbia, federally- or state-recognized Indian tribes and tribal organizations, and insular areas. The LIHEAP statute authorizes the use of funds for the following types of energy assistance:

- Home energy assistance
- Energy crisis intervention or crisis assistance
- Low-cost residential weatherization and other energy-related home repair

The LIHEAP statute also authorizes the use of block grant funds for other uses including:

- Administrative/planning costs (up to 10%)
- Carryover of funds to subsequent fiscal year (up to 10% of "funds payable")
- Identification, development and demonstration of leveraging programs
- Leveraging incentives, whereby the rules allow grantees such as DHCD to spend LIHEAP funds to identify, develop, and demonstrate leveraging programs where nonfederal supplemental funding and other resources supplement the federal LIHEAP funds
- Assurance 16 activities which allows DHCD, at its option, to use up to 5% of funds to provide services that encourage and enable households to reduce their home energy needs and the need for energy assistance

B. Use of Contingency Funds

Emergency contingency funds, which, at the discretion of the federal government, are awarded to states that have acquired non-federal home energy resources for low-income households. Contingency funds are not allocated every year. If awarded, these funds shall be used for any purpose authorized under LIHEAP including heating assistance, crisis assistance, weatherization, administrative costs, and carryover, subject to normal LIHEAP restrictions. Contingency funds shall be added to the regular block grant allocation for the current fiscal year. Massachusetts has traditionally used contingency funds to increase benefit levels, but may, at its discretion, use funding for such activities as providing additional crisis assistance, making supplemental payments to secondary heating sources, and other activities allowable under the LIHEAP statute.

C. Allocation of State Funding

Any state supplement to LIHEAP shall be used for the purposes of assisting low-income households with the purchase of heating oil, propane, natural gas, electricity and other primary or secondary heating sources. If authorized by the Massachusetts state legislature, distribution of state funds shall be made on the same basis as federal funds in determining LAA allocations and expenditures shall be incurred in accordance with the State Plan submitted by DHCD to HHS.

Program Components, 2605(a), 2605(b)(1) – Assurance 1, 2605(c)(1)(C)

1.1 Check which components you will operate under the LIHEAP program. (Note: You must provide information for each component designated here as requested elsewhere in this plan.)

		<u>Dates of Operation</u>	
<input checked="" type="checkbox"/>	Heating assistance	Start date: 11/1/16	End date: 4/30/17
<input type="checkbox"/>	Cooling assistance	Start date:	End date:
<input checked="" type="checkbox"/>	Crisis assistance	Start date: 11/1/16	End date: 4/30/17
<input checked="" type="checkbox"/>	Weatherization assistance	Start date: 10/1/16	End date: 9/30/17

Estimated Funding Allocation, 2604(c), 2605(k)(1), 2605(b)(9), 2605(b)(16) – Assurances 9 and 16

1.2 Estimate what amount of available LIHEAP funds will be used for each component that you will operate: **The total of all percentages must add up to 100%.**

75.28 % heating assistance

0 % cooling assistance

3 % crisis assistance

6.4 % weatherization assistance

0 % carryover to the following Federal fiscal year

10 % administrative and planning costs

3 % services to reduce home energy needs including needs assessment (Assurance 16)

0.05 % used to develop and implement leveraging activities

2.27 % Heat-East Assistance (H-EAT) for up to \$3.0 million

100 % TOTAL

Alternate Use of Crisis Assistance Funds, 2605(c)(1)(C)

1.3 The funds reserved for winter crisis assistance that have not been expended by March 15 will be reprogrammed to:

- ☒ Heating assistance * DHCD uses a FastTrack program.
☐ Weatherization assistance
☐ Cooling assistance
☐ Other (specify): _____

Categorical Eligibility, 2605(b)(2)(A) – Assurance 2, 2605(c)(1)(A), 2605(b)(8A) – Assurance 8

1.4 Do you consider households categorically eligible if one household member receives one of the following categories of benefits in the left column below? ☒ Yes ☐ No

	Heating	Cooling	Crisis	Weatherization
SNAP				
TANF				
SSI				
Means-tested veteran's program				
Other (Specify): H-EAT	X			

If yes, explain:

SNAP recipient households with limited energy burden are eligible to receive an annual benefit of \$21 based on their residential energy cost and affordability threshold as determined by DHCD. Income eligible

households with no energy cost (i.e. excluding heat included in rent tenants) are not eligible to receive a H-EAT benefit.

1.5 Do you automatically enroll households without a direct annual application? ☒ Yes ☐ No

1.6 How do you ensure there is no difference in the treatment of categorically eligible households from those not receiving other public assistance when determining eligibility and benefit amounts?

All applicant households, including H-EAT recipients must have their eligibility for regular LIHEAP assistance determined separately through one of the 20 LAAs. DHCD has specific program eligibility criteria. Since the Massachusetts LIHEAP does not recognize categorical eligibility other than H-EAT, as noted above, those households that receive income from the sources mentioned above are treated the same as those households with income from any other source.

SNAP Nominal Payments

1.7a Do you allocate LIHEAP funds toward a nominal payment for SNAP clients?

☒ Yes ☐ No

1.7b Amount of Minimal Assistance: \$21.00 (rounded off to the nearest 0)

1.7c Frequency of Assistance:

- ☒ Once per year
☐ Once every five years
☐ Other (describe): _____

1.7d How do you confirm that the household receiving a nominal payment has an energy cost or need?

Monthly secure data exchange between the Massachusetts Department of Transitional Assistance (DTA) and DHCD pre-screen households to establish eligibility for the H-EAT benefit.

Determination of Eligibility – Countable Income

1.8 In determining a household's income eligibility for LIHEAP, do you use gross income or net income?

- ☒ Gross Income
☐ Net Income

1.9 Select all of the applicable forms of countable income used to determine a household's income eligibility for LIHEAP.

- ☒ Wages
☒ Self-employment income* (gross profit after 40% deductible for expenses)
☒ Contract income

- ☒ Payments from mortgage or sales contracts* (*Capital gains only if not reinvested within a year.*)
- ☒ Unemployment Insurance
- ☒ Strike pay
- ☒ Social Security Administration (SSA) benefits
 - ☒ Including Medicare deduction ☐ Excluding Medicare deduction
- ☒ Supplemental Security Income (SSI)
- ☒ Retirement / pension benefits
- ☒ General Assistance benefits
- ☒ Temporary Assistance for Needy Families (TANF) benefits
- ☐ Supplemental Nutrition Assistance Program (SNAP) benefits
- ☐ Women, Infants, and Children Supplemental Nutrition Program (WIC) benefits
- ☐ Loans that need to be repaid
- ☒ Cash gifts (*over \$12,000*)
- ☐ Savings account balance
- ☒ One-time lump-sum payments, such as rebates/credits, winnings from lotteries, refund deposits, etc. - Yes
- ☐ Jury duty compensation
- ☒ Rental income (with certain allowable deductions for owner-occupied units)
- ☐ Income from employment through Workforce Investment Act (WIA)
- ☐ Income from work study programs
- ☒ Alimony
- ☒ Child support
- ☒ Interest, dividends, or royalties (with exclusions)
- ☒ Commissions
- ☒ Legal settlements (excluding third party payment)
- ☒ Insurance payments made directly to the insured
- ☐ Insurance payments made specifically for the repayment of a bill, debt, or estimate
- ☒ Veterans Administration (VA) benefits
- ☐ Earned income of a child under the age of 18
- ☐ Balance of retirement, pension, or annuity accounts where funds cannot be withdrawn without a penalty.
- ☐ Income tax refunds
- ☐ Stipends from senior companion programs, such as VISTA
- ☐ Funds received by household for the care of a foster child
- ☐ Ameri-Corp Program payments for living allowances, earnings, and in-kind aid.
- ☒ Reimbursements (for mileage, gas, lodging, meals, etc.) (see self-employment deduction)
- ☐ Other

Section 2 - HEATING ASSISTANCE

Eligibility, 2605(b)(2) – Assurance 2

2.1 Designate the income eligibility threshold used for the heating component:

2016 HHS poverty income level _____%

OR
State's median income _____ 60 %

2.2 Do you have additional eligibility requirements for **HEATING ASSISTANCE**?

☒ Yes ☐ No

2.3 Check the appropriate boxes below and describe the policies for each.

- | | <u>Yes</u> | <u>No</u> |
|--|-------------------------------------|-------------------------------------|
| ● Do you require an assets test? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ● Do you have additional/differing eligibility policies for: | | |
| • Renters? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| • Renters living in subsidized housing | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| • Renters with utilities included in the rent? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

***Explanation of policies for each “yes” checked above:** For purposes of determining LIHEAP eligibility, there are three types of renters: 1) Those that receive a subsidy; 2) those that live in a rent restricted unit within a Low Income Housing Tax Credit (LIHTC) building; and 3) all other renters. The LIHEAP benefit is based on the renter and their heating situation.

A renter living in a subsidized building or living in a LIHTC building who pays a vendor directly for their heat, or who lives in a subsidized building or a LIHTC building, as described above, with heat included in rent where the monthly rent is more than 30% of the gross LIHEAP monthly income, is eligible for a partial LIHEAP benefit. For those renters living in subsidized housing or in a LIHTC building with heat included in their rent that pay less than 30% of their gross LIHEAP monthly income towards rent are not eligible for fuel assistance.

A renter that does not live in a subsidized building or a LIHTC building, as described above, that either pays their vendor directly for their heat or whose heat cost is included in their rent is eligible for a full LIHEAP benefit.

- Do you give priority in eligibility to:
- | | | |
|--|--------------------------|-------------------------------------|
| • Elderly? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| • Disabled? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| • Young children? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| • Households with high energy burdens? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| • Other? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Determination of Benefits, 2605(b)(5) – Assurance 5, 2605(c)(1)(B)

2.4 Describe how you prioritize the provision of heating assistance to vulnerable households, e.g., benefit amounts, application period, etc.

As required by the federal LIHEAP statute, LAAs target their outreach to vulnerable populations including but not limited to the disabled, elderly and those on fixed incomes. The benefit amount is determined in the same manner regardless of the source of income or vulnerable status; those factors include family income level and size. Those factors place the household in the Massachusetts LIHEAP benefit matrix and there may additionally be proration of benefit due to household members' U.S. Citizenship/Qualified Alien Status. DHCD maintains a mail-in recertification process, thereby all households' application status is determined before the beginning of the heating season on November 1st.

DHCD uses a mixture of a fixed benefit determined by poverty level, and offers an additional benefit, the High Energy Cost Supplement (HECS) to each household. This process assures that households with the lowest income and the highest fuel costs receive the most benefits.

A preliminary maximum benefit has been set at \$760 per household, which is contingent upon DHCD receiving at least \$131.88 million in federal LIHEAP allocation in FY 2017.

2.5 Check the variables you use to determine your benefit levels. (Check all that apply):

- ☒ Income
- ☒ Family (household) size
- ☒ Home energy cost or need:
 - ☐ Fuel type
 - ☐ Climate/region
 - ☐ Individual bill
 - ☒ Dwelling type (subsidized vs. non-subsidized housing)
 - ☒ Energy burden (% of income spent on home energy)
 - ☐ Energy need
 - ☐ Other (Describe)

Benefit Levels, 2605(b)(5) – Assurance 5, 2605(c)(1)(B)

2.6 Describe estimated benefit levels for FY 2017:

\$ 401 Minimum benefit \$ 760 Maximum benefit

2.7 Do you provide in-kind (e.g., blankets, space heaters) and/or other forms of benefits?

☐ Yes ☒ No -- If yes, describe.

Section 3: COOLING ASSISTANCE

Eligibility, 2605(c)(1)(A), 2605(b)(2) – Assurance 2 – N/A

3.1 Designate the income eligibility threshold used for the cooling component:

*3.2 Do you have additional eligibility requirements for **COOLING ASSISTANCE**:*

☐ Yes ☐ No

3.3 Check the appropriate boxes below and describe the policies for each.

	<u>Yes</u>	<u>No</u>
● Do you require an assets test?	<input type="checkbox"/>	<input type="checkbox"/>
● Do you have additional/differing eligibility policies for:		
• Renters?	<input type="checkbox"/>	<input type="checkbox"/>
• Renters living in subsidized housing?	<input type="checkbox"/>	<input type="checkbox"/>
• Renters with utilities included in the rent?	<input type="checkbox"/>	<input type="checkbox"/>
● Do you give priority in eligibility to:		
• Elderly?	<input type="checkbox"/>	<input type="checkbox"/>
• Disabled?	<input type="checkbox"/>	<input type="checkbox"/>
• Young children?	<input type="checkbox"/>	<input type="checkbox"/>
• Households with high energy burdens?	<input type="checkbox"/>	<input type="checkbox"/>
• Other?	<input type="checkbox"/>	<input type="checkbox"/>

3.4 Describe how you prioritize the provision of cooling assistance to vulnerable households, e.g., benefit amounts, application period, etc.

Determination of Benefits, 2605(b)(5) – Assurance 5, 2605(c)(1)(B)

3.5 Check the variables you use to determine your benefit levels. (Check all that apply):

- ☐ Income
- ☐ Family (household) size
- ☐ Home energy cost or need
 - ☐ Fuel type
 - ☐ Climate/region
 - ☐ Individual bill
 - ☐ Dwelling type
 - ☐ Energy burden (% of income spent on home energy)
 - ☐ Energy need
 - ☐ Other (describe)

Benefit Levels, 2605(b)(5) – Assurance 5, 2605(c)(1)(B)

3.6 Describe benefit levels:

\$_____ Minimum benefit \$_____ Maximum benefit

3.7 Do you provide in-kind (e.g. fans, air conditioners) and/or other forms of benefits?

☐ Yes ☐ No -- If yes, describe.

Section 4: CRISIS ASSISTANCE,

Eligibility - 2604(c), 2605(c)(1)(A)

4.1 Designate the income eligibility threshold used for the crisis component:

2016 HHS poverty income level _____%

OR

State median income _____ **60** %

4.2 Provide your LIHEAP program's definition for determining a crisis.

Massachusetts uses a FastTrack emergency assistance program. Therefore, all crisis applicants are served within 18 hours. Any one of the following conditions shall constitute a crisis.

The crisis intervention component of Massachusetts' LIHEAP has been developed as a FastTrack system, integrated into the heating assistance program, for prioritizing and expediting services to households experiencing heating emergencies. The purpose of this FastTrack system is to provide swift response to heating emergencies, while steering applicants into the mainstream heating assistance component with full benefits. Emergency applications are given priority at all intake and processing steps. LAAs are required to provide for emergency service within 18 hours of the eligible household's application or request, in accordance with the statute and corresponding procedures outlined in the Fiscal Year 2017 Administrative Guidance, especially if the household's health and safety is in danger.

4.3 What constitutes a life-threatening crisis?

The criteria for designating an emergency are as follows:

- a. no heat for any reason, including heating system failure
- b. imminent loss of heat, due to:
 - less than 3-day supply of fuel (e.g., reading of 1/8 tank or less on a standard 275 gallon heating oil tank; "3-day or less" supply standard applies to other delivered fuels); or
 - possession of final notice of utility termination for the primary heat source, or for a secondary source necessary to operate the primary heating system; or
 - threatened eviction within 72 hours for renter whose rent includes heat

Crisis Requirements, 2604(c)

4.4 Within how many hours do you provide crisis assistance that will resolve the energy crisis for eligible households? 24 Hours

4.5 Within how many hours do you provide crisis assistance that will resolve the energy crisis for eligible households in life-threatening situations? 18 Hours

Crisis Eligibility, 2605(c)(1)(A)

4.6 Do you have additional eligibility requirements for **CRISIS ASSISTANCE?**

☒ Yes ☐ No

4.7 Check the appropriate boxes below and describe the policies for each.

	<u>Yes</u>	<u>No</u>
● Do you require an assets test?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
● Do you give priority in eligibility to:		
• Elderly?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Disabled?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Young children?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Households with high energy burdens?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Other?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
● In order to receive crisis assistance:		
	<u>Yes</u>	<u>No</u>
• Must the household have received a shut-off notice or have a near empty tank?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
• Must the household have been shut off or have an empty tank?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Must the household have exhausted their regular heating benefit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Must renters with heating costs included in their rent have received an eviction notice?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
• Must heating/cooling be medically necessary?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Must the household have non-working heating or cooling equipment?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
• Other?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

● Do you have additional/differing eligibility policies for:

- Renters? ☐ ☒
- Renters living in subsidized housing? ☐ ☒
- Renters with utilities included in the rent? ☐ ☒

***See comments under Section 2.3.**

Determination of Benefits

4.8 How do you handle crisis situations?

☐ Separate component

☒ Fast Track

☐ Other

4.9 If you have a separate component, how do you determine crisis assistance benefits?

☐ Amount to resolve crisis, up to a maximum of \$_____

☐ Other

Crisis Requirements, 2604(c)

4.10 Do you accept applications for energy crisis assistance at sites that are geographically accessible to all households in the area to be served?

☒ Yes ☐ No

4.11 Do you provide individuals who are physically disabled the means to:

■ Submit applications for crisis benefits without leaving their homes?

☒ Yes ☐ No If No, explain.

■ Travel to the sites at which applications for crisis assistance are accepted?

☒ Yes ☐ No If No, explain.

Benefit Levels, 2605(c)(1)(B)

4.12 Indicate the maximum benefit for each type of crisis assistance offered.

Winter Crisis \$ 760 maximum benefit

Summer Crisis \$ _____ maximum benefit

Year-round Crisis \$ _____ maximum benefit

4.13 Do you provide in-kind (e.g. blankets, space heaters, fans) and/or other forms of benefits?

☐ Yes ☒ No If yes, describe.

4.14 Do you provide for equipment repair or replacement using crisis funds?

☐ Yes ☒ No

4.15 Check appropriate boxes below to indicate type(s) of assistance provided:

	Winter Crisis	Summer Crisis	Year- round Crisis
Heating system repair			
Heating system replacement			
Cooling system repair			
Cooling system replacement			
Wood stove purchase			
Pellet stove purchase			
Solar panel(s)			
Windmill(s)			
Utility poles / Gas line hook-ups			
Other (Specify): _____			

4.16 Do any of the utility vendors you work with enforce a winter moratorium on shut offs?

☒ Yes ☐ No _____

4.17 Describe the terms of the moratorium and any special dispensation received by LIHEAP clients during or after the moratorium period.

From November 15 to March 15, Massachusetts law provides protection for residents who are struggling with their heating costs. The "winter moratorium" prevents gas and electric companies from shutting off a customer's heating fuel because of their inability to pay for it. Also, they cannot shut off a service that is needed to run a customer's residential heating system. Charges will continue to be applied during this period and the customer will still owe the utility company for the provided service, and consumers should still pay what they can afford during this time. Customers are encouraged to contact their energy utility to negotiate a payment plan to cover these accrued heating charges. The moratorium does not apply to debt accrued before November 15. In addition to the winter moratorium, Massachusetts provides some additional protections from utility shutoffs for those who qualify.

Section 5: WEATHERIZATION ASSISTANCE

Eligibility, 2605(c)(1)(A), 2605(b)(2) – Assurance 2

5.1 Designate the income eligibility threshold used for the weatherization component:

State median income 60 %

5.2 Do you enter into an interagency agreement to have another government agency administer a **WEATHERIZATION component?** ☐ Yes ☒ No

5.3 Name the agency. _____

5.4 Is there a separate monitoring protocol for weatherization? ☒ Yes ☐ No

WEATHERIZATION - Types of Rules

5.5 Under what rules do you administer LIHEAP weatherization? (Check only one.)

☐ Entirely under LIHEAP (not DOE) rules

☐ Entirely under DOE WAP (not LIHEAP) rules

☒ Mostly under LIHEAP rules with the following DOE WAP rule(s) where LIHEAP and WAP rules differ: (Check all that apply.)

☐ Income Threshold

☐ Weatherization of entire multi-family housing structure is permitted if at least 66% of units (50% in 2- & 4-unit buildings) are eligible units or will become eligible within 180 days.

☒ Weatherization of shelters temporarily housing primarily low income persons (excluding nursing homes, prisons, and similar institutional care facilities) is permitted.

☐ Other (describe)

☐ Mostly under DOE WAP rules, with the following LIHEAP rule(s) where LIHEAP and WAP rules differ: (Check all that apply.)

☐ Income Threshold

☐ Weatherization not subject to DOE WAP maximum statewide average cost per dwelling unit.

☐ Weatherization measures are not subject to DOE Savings to Investment Ratio (SIR) standards.

☐ Other (describe)

Eligibility, 2605(b)(5) – Assurance 5

Yes

No

5.6 Do you require an assets test?

☐☒

5.7 Do you have additional/differing eligibility policies for:

- Renters?

☐☒

- Renters living in subsidized housing? ☐ ☒

Tenants with landlords' permission are eligible for services. If the landlord is LIHEAP eligible the eligible tenant may receive full services. If the landlord is not eligible, funding is limited to the extent that property owners are required by the Massachusetts State Sanitary Health Code to provide adequate heat for the rental units.

5.8 Do you give priority in eligibility to:

- Elderly? ☐ ☒
- Disabled? ☐ ☒
- Young children? ☐ ☒
- Households with high energy burdens? ☐ ☒
- Other? ☒ ☐

Priority is based on the need for service.

Benefit Levels

5.9 Do you have a maximum LIHEAP weatherization benefit/expenditure per household?

☒ Yes ☐ No

5.10 If Yes, what is the maximum amount?

\$ 5,700 plus \$1,900 if asbestos abatement is recommended.

Types of Assistance, 2605(c)(1), (B) & (D)

5.11 What LIHEAP weatherization measures do you provide? (Check all categories that apply.)

☐ Weatherization needs assessments/audits

☐ Caulking and insulation

☐ Install storm windows

☒ heating system repairs

☒ Heating system replacement

☐ Cooling system repairs

☐ Cooling system replacement

☐ Energy related roof repair

- ☐ Major appliance repairs
- ☐ Major appliance replacement
- ☐ Install windows/sliding glass doors
- ☐ Install doors (interior/exterior)
- ☐ Install water heater
- ☐ Water conservation measures
- ☐ Compact florescent light bulbs
- ☐ Other (describe)

Section 6: Outreach, 2605(b)(3) – Assurance 3, 2605(c)(3)(A)

6.1 Select all outreach activities that you conduct that are designed to assure that eligible households are made aware of all LIHEAP assistance available:

- ☒ Place posters/flyers in local and county social service offices, offices of aging, Social Security offices, VA, etc.
- ☒ Publish articles in local newspapers or broadcast media announcements.
- ☒ Include inserts in energy vendor billings to inform individuals of the availability of all types of LIHEAP assistance.
- ☒ Mass mailing(s) to prior-year LIHEAP recipients.
- ☒ Inform low income applicants of the availability of all types of LIHEAP assistance at application intake for other low-income programs.
- ☒ Execute interagency agreements with other low-income program offices to perform outreach to target groups.
- ☒ Other (specify): *see below.*

By enhancing its Electronic Government (E-Gov.) network, DHCD's Benefits Hub has three features: (1) testing eligibility for non-LIHEAP resources; (2) making referrals; and (3) conducting client assessment (based on several self-sufficiency matrices).

DHCD strongly encourages that Subgrantees provide intake for clients outside of normal business hours, when needed. Subgrantees are required to maintain accessible intake sites, home visit capacity, general publicity, bilingual assistance for applicants, and use of existing networks to

reach target households. The use of mail recertification reduces the need and demand for home visits to elderly and disabled households.

Subgrantees are instructed to target vulnerable households including the Limited English Proficiency (LEP) population and applicants with possible high energy burden. DHCD has translated many LIHEAP documents into the languages most encountered. If an LAA is dealing with an LEP population, they should check with DHCD to determine if DHCD can provide the translated documents.

DHCD and its Subgrantees maintain working relationships with other state agencies such as the Massachusetts Department of Transitional Assistance (DTA), especially the Supplemental Nutritional Assistance Program (SNAP) office and the Executive Office of Elder Affairs, which assists in program outreach activities.

As for additional steps taken to target households with high home energy burdens, DHCD and its network have traditionally promoted the program to those facing high energy bills and/or financial hardships. As an example, the customer service departments of local utilities and the Consumer Division of the State Department of Public Utilities often refer households with financial hardship and payment difficulties to the LIHEAP program. Furthermore, many LIHEAP eligible households with utility arrearages are referred to investor-owned Utility companies to be enrolled in their respective Arrearage Management Programs (AMPs).

Section 7: Coordination, 2605(b)(4) – Assurance 4

7.1 Describe how you will ensure that the LIHEAP program is coordinated with other programs available to low-income households (TANF, SSI, WAP, etc.)

- ☒ Joint application for multiple programs (LIHEAP/HEARTWAP/WAP)
- ☒ Intake referrals to/from other programs
- ☐ One-stop intake centers
- ☒ Other – describe:

DHCD uses a single application for LIHEAP, Heating System Repair/Replacement and Weatherization Assistance Program.

Data exchange with the Department of Transitional Assistance (DTA) coordinates LIHEAP with H-EAT.

At subgrantee level, there are established coordination among other internal and external programs, such as WAP, WIC, and utility funded programs.

Section 8: Agency Designation, 2605(b)(6) – Assurance 6

8.1 How would you categorize the primary responsibility of your State agency?

- ☐ Administration Agency

- ☐ Commerce Agency
- ☐ Community Services Agency
- ☐ Energy/Environment Agency
- ☒ Housing Agency
- ☐ Welfare Agency
- ☐ Other – describe:

Alternate Outreach and Intake, 2605(b)(15) – Assurance 15

If you selected "Welfare Agency" in question 8.1, you must complete questions 8.2, 8.3, and 8.4, as applicable.

*8.2 How do you provide alternate outreach and intake for **HEATING ASSISTANCE**?*

*8.3 How do you provide alternate outreach and intake for **COOLING ASSISTANCE**?*

*8.4 How do you provide alternate outreach and intake for **CRISIS ASSISTANCE**?*

	<u>Heating</u>	<u>Cooling</u>	<u>Crisis</u>	<u>Weatherization</u>
Who determines client eligibility?				
Who processes benefit payments to gas and electric vendors?				
Who processes benefit payments to bulk fuel vendors?				
Who performs installation of weatherization measures?				

LIHEAP Component Administration

8.5a Who determines client eligibility?

The LAAs determine both heating and crisis eligibility.

8.5b. Who processes benefit payments to gas and electric vendors?

The LAAs process payments to the utility vendors.

8.5c Who processes benefit payments to bulk fuel vendors?

The LAAs process payment to bulk fuel vendors.

8.6 What is your process for selecting local administering agencies?

Massachusetts currently subcontracts for local administration of Fuel Assistance with 20 agencies, 18 of which are Community Action Agencies that are in operation under the Economic Opportunity Act of 1964. DHCD reserves the right to select a Subgrantee in any service area via a Notice Of Funding Availability (NOFA) process or by designation of the Undersecretary of DHCD.

A list of designated Subgrantees is included as Attachment A to this Application/State Plan. A statewide distribution formula shall be prepared that allocates program funds to service areas

based on prior year expenditures for the area covered by the Subgrantee. A historic cost formula for allocation of administrative funds for each of the LIHEAP agencies is utilized. In FY17, DHCD may study the impact of the historical formula on LAAs.

8.7 How many local administering agencies do you use?

20.

8.8 Have you changed any local administering agencies from last year?

☒ Yes ☐ No

8.9 Why?

- ☐ Agency was in noncompliance with grantee requirements for LIHEAP
- ☐ Agency is under criminal investigation
- ☐ Added agency
- ☐ Agency closed
- ☒ Other – describe-

In February of 2016, a NOFA was issued to solicit a potential subgrantee partner to administer the LIHEAP and Heating Emergency Assistance Retrofit Task Weatherization Assistance Program (HEARTWAP) in the former Tri-City Community Action Program, Inc. (Tri-CAP), service area of Everett, Malden, Medford, Melrose, Stoneham, Winchester, Woburn, Massachusetts. Written applications were reviewed. In April of 2016, Action for Boston Community Development (ABCD) was awarded the contract to administer the programs, as DHCD determined that ABCD has the necessary experience and capacity. ABCD has been providing LIHEAP and weatherization services to the greater Boston area since the programs' inceptions, and has been serving as the interim provider for LIHEAP in the service area for the past two years.

Section 9: Energy Suppliers, 2605(b)(7) – Assurance 7

9.1 Do you make payments directly to home energy suppliers?

Heating ☒ Yes ☐ No

Cooling ☐ Yes ☐ No

Crisis ☒ Yes ☐ No

Are there exceptions? ☒ Yes ☐ No

Heat in Rent clients receive a check directly from LAAs, provided that their tenancy is verified by the landlord or the management company.

9.2 How do you notify the client of the amount of assistance paid?

Clients are notified through a Notice of Eligibility Determination.

9.3 How do you assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment?

The Vendor Agreement details how the vendor must treat LIHEAP customers. This includes costs and payments. Further, the LIHEAP Administrative and Program Directors' Guidance instruct LAAs regarding the methods to be used to ensure the vendor is following the business practices/procedures indicated in the Vendor Agreements. Additionally, a review of payments and charges are a part of the onsite monitoring conducted by DHCD.

9.4 How do you assure that no household receiving assistance under this title will be treated adversely because of their receipt of LIHEAP assistance?

The Vendor Agreement states that no LIHEAP household will be treated adversely.

9.5 Do you make payments contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households?

☒ Yes ☐ No. If so, describe the measures unregulated vendors may take.

The Vendor Agreement, required by DHCD and implemented via the Subgrantee, contains assurances as to fair billing practices, delivery procedures, and pricing procedures for business transactions involving LIHEAP recipients. These agreements are subject to monitoring procedures performed by either Subgrantee or DHCD staff. This Agreement, signed by all participating vendors, states that the vendor shall not discriminate against the certified (LIHEAP) customer in prices or services and provides that the vendor shall make deliveries/supply services in accordance with normal business practice.

The Vendor Agreement also ensures the supplier shall offer the full range of credit, deferred payment, budget, level payment and other credit plans, which will help minimize the risks of home energy crises and encourage regular payment by LIHEAP recipients. Vendor Agreements are attached to this plan.

In addition, the majority of unregulated vendors (heating oil dealers) are required to participate in DHCD's MOR pricing program if they wish to receive vendor payments. The MOR program determines LIHEAP heating oil prices by adding a margin over wholesale Rack prices. This discount effort increases the "purchasing power" of the recipients' cash benefit, thereby helping to alleviate the energy burden of those households.

During Fiscal Year 2017, DHCD shall continue to work with individual utilities to coordinate enrollment in discount rate programs, eligibility, customer service, electronic billing, client tracking and other LIHEAP-related matters. Initiatives will be taken to standardize the existing

data collection process to obtain information from energy vendors to track and report service interruptions, reconnections, arrearages, and payments made by clients and subgrantee agencies.

Section 10: Program, Fiscal Monitoring, and Audit, 2605(b)(10) – Assurance 10

10.1. How do you ensure good fiscal accounting and tracking of LIHEAP funds?

The Massachusetts Management Accounting and Reporting System (MMARS) tracks the receipt of LIHEAP revenue and payments to Subgrantees. This is reconciled monthly. Subgrantees submit financial status reports with every drawdown requested as well as quarterly reports. This information is reviewed and reconciled. On-site fiscal monitoring is conducted in conjunction with CSBG program monitoring. A standard monitoring checklist is used to guide the testing of revenue, expenditures, and internal controls at the subgrantee level.

Audit Process

10.2. Is your LIHEAP program audited annually under the Single Audit Act and OMB Circular A-133?

☒ Yes ☐ No

10.3. Describe any audit findings rising to the level of material weakness or reportable condition cited in the A-133 audits, Grantee monitoring assessments, inspector general reviews, or other government agency reviews of the LIHEAP agency from the most recently audited federal fiscal year.

No findings.

Finding	Type	Brief Summary	Resolved?	Action Taken
1				
2				
3				
4				
5				

10.4. Audits of Local Administering Agencies

- *What types of annual audit requirements do you have in place for local administering agencies/district offices?*

☒ Local agencies/district offices are required to have an annual audit in compliance with the Single Audit Act and OMB Circular A-133.

☐ Local agencies/district offices are required to have an annual audit (other than A-133).

☐ Local agencies/district offices' A-133 or other independent audits are reviewed by Grantee as part of compliance process.

☐ Grantee conducts fiscal and program monitoring of local agencies/district offices.

Note: The LAA's responsibilities under contract with DHCD are subject to the applicable requirements published in the "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards" also known as the Office of Management and Budget (OMB) Super Circular, 2 CFR Part 200.

Compliance Monitoring

10.5 Describe the Grantee's strategies for monitoring compliance with the Grantee's and Federal LIHEAP policies and procedures: Select all that apply.

Grantee employees:

- ☒ Internal program review
- ☒ Departmental oversight
- ☒ Secondary review of invoices and payments
- ☐ Other program review mechanisms are in place.

Local Administering Agencies/District Offices:

- ☒ On-site evaluation
- ☒ Annual program review
- ☒ Monitoring through Central Database
- ☒ Desk reviews
- ☒ Client File Testing/Sampling
- ☒ Other program review mechanisms are in place. Describe: Vendor Authentication and Certification testing.

How do you monitor program activities? (Please be sure to include a description of how you monitor eligibility and benefit determination.)

The DHCD Office of Administration and Finance and Community Services Unit (CSU) respectively perform fiscal and program monitoring. DCS shall continue to review/modify program monitoring procedures to ensure compliance with all state and federal laws, regulations, and DHCD LIHEAP Administrative Guidance and operating procedures.

In addition to the regular program assessments, DHCD may conduct post-audit reviews as a component of its monitoring system. The post-audit review is designed to address complaints, potential fraud or improper payment issues, client eligibility, accountability and policy issues, and to ensure compliance with administrative guidelines. A targeted file review approach has been developed that can be invoked by DHCD if a situation warrants.

CSU program monitoring includes, but is not limited to, inspecting and reviewing a random sample of client records, administrative procedures and expenditures, vendor payments, requests for disbursement of funds, and other LIHEAP program-related activities. Written reports are filed documenting the results or findings of each visit. The visits and reports state the results of compliance reviews, outline operational strengths, identify observed weaknesses, and, as appropriate, note required corrective actions and timeframes for implementation.

DHCD shall work closely with Subgrantee agency planners, LIHEAP directors, and/or other staff to develop a LIHEAP work plan for the upcoming fiscal year. After DHCD's approval, the work plan

document will be incorporated into the Fiscal Year 2017 LIHEAP contract. In addition to the proposed activities, the work plan shall include Fiscal Year 2017 LIHEAP Performance Measures. During the program year, each LIHEAP subgrantee shall be required to submit an annual program progress report based on their work plan. During on-site monitoring, DCS shall evaluate progress toward meeting each LIHEAP agency's work plan goals.

In the event suspension or termination of any agency's services is required, the grant agreement with the LAA delineates the specific suspension and termination procedures to be followed.

10.6 Explain, or attach a copy of, your local agency monitoring schedule and protocol.

Every year, DHCD establishes a schedule which divides the monitoring of the LAAs between onsite visits and remote assessments. Each type of assessment has its own protocol and monitoring tool.

10.7 Describe how you select local agencies for monitoring reviews?

Site Visits: Subgrantees that were assessed remotely in the last fiscal year will be monitored on site in FY2017.

Desk Reviews: DHCD will continue to conduct a portion of its monitoring onsite in FY 2017 with the remaining conducted remotely. Unlike a regular on-site monitoring, these agencies' performance were monitored by remotely accessing client databases from DHCD. CSU will continue to conduct remote desk review of a preselected group and onsite monitoring of the remaining Subgrantee agencies in FY 2017.

10.8 How often is each local agency monitored?

Once a year.

10.9 What is the combined error rate for eligibility determinations? OPTIONAL

[to be determined households]

10.10 What is the combined error rate for benefit determinations? OPTIONAL

[to be determined households]

10.11 How many local agencies are currently on corrective action plans for eligibility and/or benefit determination issues?

[to be determined households] All monitoring issues are closed within 30 to 60 days of monitoring.

10.12 How many local agencies are currently on corrective action plans for financial accounting or administrative issues?

None.

Section 11: Timely and Meaningful Public Participation, 2605(b)(12) – Assurance 12, 2605(c)(2)

11.1 How did you obtain input from the public in the development of your LIHEAP plan?

Check all that apply:

- ☐ Tribal Council meeting(s)
- ☒ Public Hearing(s)
- ☒ Draft Plan posted to website and available for comment
- ☒ Hard copy of plan is available for public view and comment
- ☒ Comments from applicants are recorded
- ☒ Request for comments on draft Plan is advertised
- ☒ Stakeholder consultation meeting(s)
- ☐ Comments are solicited during outreach activities
- ☒ Other, describe:

Throughout the year, DHCD solicits and considers the informal comments of community stakeholders through a variety of methods including the quarterly meetings of the DHCD LIHEAP Advisory Group, monthly meetings of the Massachusetts Energy Directors' Association (MEDA), quarterly meetings of the Arrearage Management Program (AMP) Best Practices group, the annual LIHEAP training conference and regular program monitoring.

DHCD encourages the timely and meaningful participation of the public in the development of the LIHEAP State Plan. DHCD posts the draft of its State Plan to its website four weeks prior to the Public Hearing. Written comments are accepted during the four week public posting of the State Plan. Public hearings were held in July 2016 in two locations (Boston and Holyoke) to provide for easier access for attendees and greater participation. Comments from the public are also received during the Public Hearing. The comments are compiled and considered by DHCD and may result in an update to the State Plan. Any such changes will therefore be described in this section.

11.2 What changes did you make to your LIHEAP plan as a result of this participation?

See 11.6 response.

Public Hearings, 2605(a)(2)- For States and the Commonwealth of Puerto Rico Only

11.3 List the date(s) and location(s) that you held public hearing(s) on the proposed use and distribution of your LIHEAP funds?

Date	Event Description
6/16/16	Advisory Group Meeting and Preliminary Hearing
7/7/16	Public Hearing

11.4 How many parties commented on your plan at the hearing(s)?

To be determined.

11.5 Summarize the comments you received at the hearing(s).

To be determined.

11.6 What changes did you make to your LIHEAP plan as a result of the public hearing(s)?

To be determined.

Section 12: Fair Hearings, 2605(b)(13) – Assurance 13

12.1 How many fair hearings did the grantee have in the prior Federal fiscal year?

To be determined.

12.2 How many of those fair hearings resulted in the initial decision being reversed?

To be determined.

12.3 Describe any policy and/or procedural changes made in the last Federal fiscal year as a result of fair hearings?

To be determined.

*12.4 Describe your fair hearing procedures for **households whose applications are denied**.*

Local Level Fair Hearing (Appeal) Process

Massachusetts requires an LAA to notify all applicants/clients of their right to appeal specific LAA decisions in the heating assistance/crisis assistance and energy conservation programs. Notification of these rights must be given:

1. When the applicant/client first applies for assistance (in the printed statement on the application);
2. When an LAA provides an applicant/client with a notice of either eligibility or ineligibility; and
3. When an LAA issues a final decision of denial on an appeal.

The appeals process requires applicants initially to appeal to the LAA, and offers the opportunity to appeal to DHCD if the applicant/client is not satisfied with the decision issued by the LAA. Appeals must be made to the LAA, on a form provided by the LAA, within 20 working days of the date of any notice of eligibility or ineligibility. Applicants/clients can also request an appeal, on a form provided by the LAA, if they have not been notified of their application status within forty (40) days of the date of application.

The LAA will convene an informal, face-to-face hearing with an applicant/client when an applicant requests such a hearing, or when the LAA deems such a hearing to be necessary.

Within 20 working days of receiving an appeal, the LAA must:

1. Schedule a hearing if a hearing has been requested by the applicant or has been deemed necessary by the LAA. Notice establishing the date, time and location of the hearing shall be sent to the applicant or the applicant's representative.
2. In all other cases,
 - a. Review and reconsider the applicant's application, including the possibility of obtaining additional income or other documentation;
 - b. Reach a decision on the case; and
 - c. Notify the applicant of the final decision in writing, along with notice of the applicant's right to and procedures for appeal to DHCD.

Within 10 working days of a hearing, the LAA shall

1. Reach a decision on the case; and
2. Notify the applicant of the final decision in writing, along with notice of the applicant's right to and procedures for appeal to DHCD.

State Level Fair Hearing (Appeal) Process

Appeals to DHCD of LAA decisions will be handled by a Program Coordinator within DHCD's Community Services Unit. Applicants must appeal, in writing, to DHCD within 20 working days of the date of the final LAA decision that includes the notice of appeal rights.

The Program Coordinator will review all applicant files and information pertinent to the appeal, and will notify the applicant and the LAA of the decision in writing within 20 working days of receipt of the complete applicant file.

Notwithstanding the foregoing requirements related to timely notice and filing, all hearings and decisions must be completed within the same fiscal year in which the funds were allocated to the LAA in order to ensure proper program closeout. Therefore, all appeals are subject to the following timeframes:

- Appeals to LAA - November 1, 2016 to June 23, 2017.
- Appeal to DHCD of an LAA Decision - November 1, 2016 to August 25, 2017.

➔ Denials

Denied applicants are afforded appeal rights except in the following circumstance.

➔ Applications Not Completed In a Timely Manner

Applicants shall have a maximum of 30 days after the end of each year's heating season to complete an incomplete application. Applications that remain incomplete due to an

applicant's inability to provide eligibility documentation shall be denied. Such denied applications may not be completed through the Appeal process.

12.5 When and how are applicants informed of these rights?

During application recertification and during intake applicants are made aware of their appeal rights.

*12.6 Describe your fair hearing procedures for **households whose applications are not acted on in a timely manner.***

The LAAs must notify a household if it submitted incomplete documentation for their application within 20 working days. If a household provided complete documentation, the LAA must notify the household of its eligibility within 45 working days. If the LAA does not notify the household within 45 days, the household has a right to appeal to the agency for its determination.

12.7 When and how are applicants informed of these rights?

When they apply for assistance, households are informed of their right to appeal and the procedure to do so. Applicants receive a Notice of Appeal Rights with their application package. Furthermore, when applicants receive a notice of denial, they are provided with a copy of Notice of Appeal Rights and the Appeal Form.

Section 13: Reduction of home energy needs, 2605(b)(16) – Assurance 16

13.1 Describe how you use LIHEAP funds to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance?

DHCD uses a mixture of a fixed benefit determined by poverty levels, and an additional benefit, the High Energy Cost Supplement (HECS) available to households with highest energy costs. This process assures that households with the lowest income and the highest fuel costs receive the most benefits.

Furthermore, in accordance with LIHEAP regulations and pending the availability of funds, LAAs provide such services as: needs assessment, Benefits Hub, budget counseling, energy education/awareness and vendor relations as part of the ongoing servicing of eligible households. These services, under Assurance 16 of the LIHEAP statute, are directed toward households that may be in financial/energy crisis requiring individual attention beyond the standard course of action. The funding is used to enhance outreach efforts to eligible customers.

DHCD encourages targeted outreach, working with utilities on issues impacting users, particularly elders, expanding education, awareness efforts, and referrals. DHCD monitors the Assurance 16 activities conducted by LAAs through annual contracting and monitoring process to ensure compliance with funding requirements. During Fiscal Year 2016 a total of \$3.6M in Assurance 16 funds will be provided to LAAs in accordance with the LIHEAP statute.

13.2 How do you ensure that you don't use more than 5% of your LIHEAP funds for these activities?

The amounts set aside to fund these activities are predetermined by DHCD so that it does not exceed the 5% threshold.

13.3 Describe the impact of such activities on the number of households served in the previous Federal fiscal year.

DHCD's Assurance 16 activities, as described above, resulted in a reduction in emergencies, as reflected in the LIHEAP Household Data reported to DHCD by the LAAs, as well as the arrearage management programs reported by the local stakeholder working groups, and increased leveraging activities, including utility discounts.

13.4 Describe the level of direct benefits provided to those households in the previous Federal fiscal year.

In addition to the payments rendered on their behalf to the home heating vendor, as described herein, all LIHEAP eligible households are also eligible for direct benefits, such as utility discounts. Households with high home energy needs are also eligible for a High Energy Cost Supplement Benefit (HECS) based on their prior year's heating costs and consumption. All applicable LIHEAP eligible households are also referred to heating system repair and replacement, Weatherization Assistance or utility company-funded programs. Subject to available resources, households those who exhaust their LIHEAP benefits are referred to non-LIHEAP home energy assistance programs, available through other local or regional non-profit organizations. Veterans can be referred to programs available through their respective Veterans Administrative Agencies.

13.5 How many households applied for these services?

During Fiscal Year 2016, a total of [to be determined households] applied for LIHEAP assistance.

13.6 How many households received these services?

As of DATE [to be determined households] households received LIHEAP assistance.

Section 14: Leveraging Incentive Program, 2607(A)

14.1 Do you plan to submit an application for the leveraging incentive program?

☒ Yes ☐ No

14.2 Describe instructions to the third parties and/or local agencies for submitting LIHEAP leveraging resource information and retaining records.

After September 30th of each year, DHCD issues written submission guidelines, Leveraging Resource Form, and LIHEAP income guidelines to LAAs, Utility Companies, and resource providers such as United Way, Salvation Army, etc. A specific submission deadline is issued.

Once received, each Leveraging Resource Form is vetted through a DHCD review process. A statewide Leveraging Resource Report is prepared for the Undersecretary's signature and submitted to the Office of Community Services, U.S. Department of Health and Human Services for the purpose of receiving the Leveraging Incentive Grant. If the Leveraging Incentive Grant is not operational, the Leveraging Report is retained at DHCD according to the state's record retention policy and utilized subsequently for LIHEAP Annual Reporting and statistical analysis purposes.

Although the contents of each Leveraging Resource Form are not released for public consumption, the DHCD approved statewide Leveraging Resource Report can be made available to a third party upon request.

14.3 For each type of resource and/or benefit to be leveraged in the upcoming year that will meet the requirements of 45 C.F.R. § 96.87(d)(2)(iii), describe the following:

What is the type of resource or benefit?	What is the source(s) of the resource?	How will the resource be integrated and coordinated with the LIHEAP program?
Supplemental State Allocation	State appropriation	Federal LIHEAP benefit can be augmented using state appropriated funds.
Margin-Over-Rack and Oil Discounts Programs	DHCD vendor contracts require that heating oil is provided at discounted or below market prices.	All LIHEAP eligible heating oil customers receive deliveries at pre-determined prices.
Joe-4-Oil Heating Oil	Citizens Energy Corporation	Referrals for free heating oil delivery are coordinated by LAAs for certain eligible households.
Utility Discount Rates	Investor-owned Utility Companies.	All income eligible LIHEAP applicants receive discounts on their utility bills.
Combined Fuel Funds	LAAs	LAAs use their combined fuel funds to assist certain LIHEAP eligible and over-income households.
United Way Special Fund	United Way of Massachusetts Bay	LIHEAP eligible households can receive an additional benefit to pay for home heating costs.
Weatherization Support	In-kind contributions and funding from utility companies, property owners and contractors.	Certain LIHEAP eligible households can also receive utility-funded weatherization support.

Supplemental State Allocation

Although LIHEAP is a federal block grant program, the Massachusetts State Legislature from time to time has allocated supplemental funds to provide home energy assistance to income eligible households.

DHCD has identified and developed a wide range of other non-federal resources that supplement energy benefits for low-income households. These benefits are offered in the form of savings, discounts, and direct energy assistance.

The following are brief descriptions of the primary resources that are integrated into the LIHEAP program, directly or indirectly:

Margin-Over-Rack and CAI Oil Discount Programs

DHCD developed the MOR program to provide home energy discounts through establishment of a maximum per gallon price for heating oil for all LIHEAP households. It calculates the daily maximum price based on daily Rack prices and issues it to the LAAs operating the MOR program.

Oil vendors are required by their vendor agreement to submit delivery tickets with their current retail price. This information is entered into each LAA's database. The software programs used by LAAs are designed to compare the retail price of oil and the MOR price for the date of delivery. The lesser of the two is paid to the vendor. The difference between the two is considered the savings generated or leveraged resources. Both prices are maintained in the database for reporting purposes. LAAs provide DHCD with an annual report detailing the amount of gallons delivered to households, the actual retail price for the oil delivered, the MOR price paid for the deliveries, and the difference or savings by vendor.

In 11 cities and towns in northeastern Massachusetts, home energy discounts are achieved through a competitive bidding process for oil deliveries to LIHEAP households. Successful bidders agree to make delivery to LIHEAP households based on a set margin above the average wholesale price of oil. Similar to the MOR program, Community Action, Inc. (CAI) calculates the weekly bid price from daily average terminal prices. There is a similar process for kerosene in six cities and towns served by CAI where kerosene is widely used.

Clients are not required to accept delivery from a participating "bid vendor." If they choose to take delivery from another vendor, benefits are paid directly to the client based on the Bid Price regardless of the price charged by the vendor. Pricing information from these vendors is maintained on file.

The savings are calculated by comparing the average retail price per gallon with the average bid price per gallon to achieve an average savings per gallon.

In FY 2017, DHCD will further study the impact of the bid process and/or bulk purchasing on LAAs and its LIHEAP clients and maintain a working group comprised of interested parties such as LAAs, fuel vendors, state agencies, etc. to explore expanding the bid participation to other LAAs in FY2018.

Low-Income Utility Discount Rates

The investor-owned gas and electric utilities in Massachusetts offer lower rates to public assistance, LIHEAP and/or other limited income households. All households eligible for the discount are eligible under the federal standards set by section 2605(b) (2) of Public Law 97-35 (42 USC 8624(b) (2)). DHCD and the local fuel assistance network have been instrumental in the introduction of these rates via negotiation/participation in the Department of Public Utilities (DPU) proceedings as well as advocating with individual utilities. The network also plays a large part in the enrollment and certification of fuel assistance households to receive benefits for utility discount rates.

Combined Fuel Funds

Many LIHEAP provider agencies have developed combined fuel funds to assist those customers who exhaust their regular LIHEAP benefit. All the LAAs reported different types of local funds from sources such as Massachusetts Association for Community Action, Citizens Oil, CAA fundraising, private foundation and corporate donations.

United Way Special Fund

Another resource comes from the Special Fund operated by the United Way of Massachusetts Bay. Allotted funds can assist households with energy emergencies in the form of oil deliveries or utility payments. There are no income restrictions in place from the United Way; however, households at or below 60% of the State's median income were served through LAAs as LIHEAP benefit dollars were not sufficient to meet their home energy needs. The referrals are made by the 20 LAAs agencies. A few of those agencies also operated the program locally.

Weatherization Support

DHCD included resources contributed to weatherization and energy conservation programs as a supplement to DOE/LIHEAP efforts. These include in-kind contributions and funding from utility companies, property owners and contractors. The resource is available throughout the State and operated through the LAAs operating the LIHEAP/WAP programs.

The eligibility level for households is 60% of the estimated State Median Income for electric and gas utilities. Supported activities include comprehensive building shell and heating system related residential energy efficiency measures including, attic and sidewall insulation, blower door guided air sealing, health and safety measures, and heating system replacements.

DHCD shall continue to collect leveraging information from its partners, especially utility companies, LAAs, and the United Way.

Section 15: Training

15.1. Describe the training you provide for each of the following groups:

a. Grantee Staff:

☒ Formal training on grantee policies and procedures

How often?

☒ Annually

☐ Biannually

☒ As needed

☐ Other – Describe:

☒ Employees are provided with policy manual

☐ Other – Describe:

b. Local Agencies:

☒ Formal training conference

How often?

☒ Annually

☐ Biannually

☐ As needed

☐ Other – Describe:

☒ On-site training

How often?

☐ Annually

☐ Biannually

☒ As needed

☐ Other – Describe:

☒ Employees are provided with policy manual

☐ Other – Describe:

c. Vendors

☐ Formal training conference

How often?

☐ Annually

☐ Biannually

☐ As needed

☐ Other – Describe:

☒ Policies communicated through vendor agreements

☐ Policies are outlined in a vendor manual

☐ Other – Describe:

15.2. Does your training program address fraud reporting and prevention?

☒ Yes

☐ No

Section 16: Performance Goals and Measures, 2605(b) Required for States Only

16.1 Describe your progress toward meeting the data collection and reporting requirement of the four required LIHEAP performance measures. Include timeframes and plans for meeting these requirements and what you believe will be accomplished in the coming federal fiscal year.

Massachusetts currently collects four required LIHEAP performance measures.

DHCD made steps in late FY15 and early FY16 to clear the path to collect the average annual electricity (non-heat) usage for LIHEAP applicants, which was previously not collected due to the difficulty in accessing this information. DHCD updated the “Applicant Declarations and Authorizations For Use of Personal Information” section on the back of the FY2016 client application to include language that granted the client’s permission to share their secondary utility information. Additionally, DHCD updated the language in the Vendor Agreement to include the provision of electric usage data for all LIHEAP clients regardless of home energy type. Further, DHCD issued a memorandum in November of 2015 to electric utility vendors through Subgrantees describing the data collection requirements to ensure that the information was collected at a minimum of the top five electric vendors in the state. In an effort to more easily collect and report this data, DHCD’s software vendor developed a fixed file format that was shared with the utility partners.

DHCD continues to attend meetings with the LAAs, Investor Owned Utilities, and our software vendor to ensure that any issues that arise are attended to, such that DHCD will meet the performance measures mandate.

Section 17: Program Integrity, 2605(b)(10)

17.1. Fraud Reporting Mechanisms

a. Describe all mechanisms available to the public for reporting cases of suspected waste, fraud, and abuse.

- ☐ Online Fraud Reporting
- ☒ Dedicated Fraud Reporting Hotline
- ☒ Report directly to local agency/district office or Grantee office
- ☒ Report to State Inspector General or Attorney General
- ☒ Forms and procedures in place for local agencies/district offices and vendors to report fraud, waste, and abuse.
- ☒ Other – describe: Whistleblower provision.

b. Describe strategies in place for advertising the above-referenced resources.

- ☒ Printed outreach materials
- ☐ Addressed on LIHEAP application
- ☒ Website
- ☒ Other – describe: Comptroller’s Office presentation at Annual Training.

17.2. Identification Documentation Requirements

a. Indicate which of the following forms of identification are required or requested to be collected from LIHEAP applicants or their household members.

REQUIRED Type of Identification Collected	Collected from Whom?		
	Applicant Only	All Adults in HH	HH Members Seeking Assistance*
Social Security Card is photocopied and retained	Required <input type="checkbox"/>	Required <input type="checkbox"/>	Required <input type="checkbox"/>
	Requested <input checked="" type="checkbox"/>	Requested <input checked="" type="checkbox"/>	Requested <input checked="" type="checkbox"/>
Social Security Number (without actual card)	Required <input type="checkbox"/>	Required <input type="checkbox"/>	Required <input type="checkbox"/>
	Requested <input checked="" type="checkbox"/>	Requested <input checked="" type="checkbox"/>	Requested <input checked="" type="checkbox"/>
Government-issued identification card (i.e.: driver's license, state ID, Tribal ID, passport, etc.)	Required <input checked="" type="checkbox"/>	Required <input type="checkbox"/>	Required <input type="checkbox"/>
	Requested <input type="checkbox"/>	Requested <input type="checkbox"/>	Requested <input type="checkbox"/>
Other: Address documentation	Required <input checked="" type="checkbox"/>	Required <input checked="" type="checkbox"/>	Required <input checked="" type="checkbox"/>

*Households may include members who are not seeking assistance and may not be included in the household count.

b. Describe any exceptions to the above policies.

17.3. Identification Verification

Describe what methods are used to verify the authenticity of identification documents provided by clients or household members.

- ☒ Verify SSNs with Social Security Administration
- ☐ Match SSNs with death records from Social Security Administration or state agency
- ☐ Match SSNs with state eligibility/management system (e.g., SNAP, TANF)
- ☐ Match with state Department of Labor system
- ☐ Match with state and/or federal corrections system
- ☐ Match with state child support system
- ☐ Verification using private software (e.g., The Work Number)
- ☒ In-person certification by staff
- ☐ Match SSN/Tribal ID number with tribal database
- ☐ Other – describe:

17.4. Citizenship/Legal Residency Verification

What are your procedures for ensuring that household members are U.S. citizens or aliens who are qualified to receive LIHEAP benefits?

- ☐ Clients sign an attestation of citizenship or legal residency
- ☒ Clients' submission of Social Security cards is accepted as proof of legal residency
- ☒ Noncitizens must provide documentation of immigration status

- ☒ Citizens must provide a copy of their birth certificate, naturalization papers, or passport
- ☐ Noncitizens are verified through the SAVE system
- ☐ Tribal members are verified through Tribal database/Tribal ID card
- ☒ Other – describe:

Clients sign an attestation verifying their understanding that only United States Citizens or Qualified Aliens are eligible to receive federal energy assistance benefits and certifying under the penalties of perjury that all information they submit is true and complete to the best of their knowledge.

17.5. Income Verification

What methods does your agency utilize to verify household income?

- ☒ Require documentation of income for all adult household members
 - ☒ Pay stubs
 - ☒ Social Security award letters
 - ☒ Bank statements
 - ☒ Tax statements
 - ☒ Zero-income statements
 - ☒ Unemployment Insurance letters
 - ☒ Other – describe: *Income Calculation Worksheet.*

- ☒ Computer data matches:

- ☒ Income information matched against state computer system (e.g., SNAP, TANF)
- ☐ Proof of unemployment benefits verified with state Department of Labor
- ☒ Social Security income verified with SSA
- ☐ Utilize state directory of new hires
- ☐ Other – describe: Wage matches are conducted through Massachusetts Department of Revenue for zero income households. Fixed income and other cash and non-cash benefit information, where applicable, will be obtained from the U.S. Social Security Administration and Massachusetts Department of Transitional Assistance.

17.6. Protection of Privacy and Confidentiality

Describe the financial and operating controls in place to protect client information against improper use or disclosure. Select all that apply.

- ☒ Policy in place prohibiting release of information without written consent
- ☒ Grantee LIHEAP database includes privacy/confidentiality safeguards
- ☒ Employee training on confidentiality for:
 - ☒ Grantee employees
 - ☒ local agencies/district offices
- ☒ Employees must sign confidentiality agreement
 - ☒ Grantee employees
 - ☒ local agencies/district offices
- ☒ Physical files are stored in a secure location

- ☒ Other – describe: Each LIHEAP employee is required to sign an acknowledgement notice of Massachusetts Executive Order 504.

17.7. Verifying the Authenticity of Energy Vendors

What policies are in place for verifying vendor authenticity?

- ☒ All vendors must register with the State
- ☒ All vendors must supply a valid SSN or TIN/W-9 form
- ☒ Vendors are verified through energy bills provided by the household
- ☐ Grantee and/or local agencies/district offices perform physical monitoring of vendors
- ☒ Other – describe, and note any exceptions to policies above: Subgrantees are required to obtain vendor certification document prior to authentication.

17.8. Benefits Policy – Gas and Electric Utilities

What policies are in place to protect against fraud when making benefit payments to gas and electric utilities on behalf of clients? Select all that apply.

- ☒ Applicants required to submit proof of physical residency
- ☒ Applicants must submit current utility bill
- ☒ Data exchange with utilities that verifies:
 - ☒ Account ownership
 - ☒ Consumption
 - ☒ Balances
 - ☒ Payment history
 - ☒ Account is properly credited with benefit
 - ☐ Other – describe:
- ☒ Centralized computer system/database tracks payments to all utilities
- ☒ Centralized computer system automatically generates benefit level
- ☒ Separation of duties between intake and payment approval
- ☒ Payments coordinated among other heating assistance programs to avoid duplication of payments
- ☒ Payments to utilities and invoices from utilities are reviewed for accuracy
- ☒ Computer databases are periodically reviewed to verify accuracy and timeliness of payments made to utilities
- ☒ Direct payment to households are made in limited cases only
- ☒ Procedures are in place to require prompt refunds from utilities in cases of account closure
- ☒ Vendor agreements specify requirements selected above, and provide enforcement mechanism
- ☐ Other – describe:

17.9. Benefits Policy — Bulk Fuel Vendors

What procedures are in place for averting fraud and improper payments when dealing with bulk fuel suppliers of heating oil, propane, wood, and other bulk fuel vendors? Select all that apply.

- ☒ Vendors are checked against an approved vendors list
- ☒ Centralized computer system/database is used to track payments to all vendors

- ☒ Clients are relied on for reports of non-delivery or partial delivery
- ☐ Two-party checks are issued naming client and vendor
- ☒ Direct payment to households are made in limited cases only
- ☒ Vendors are only paid once they provide a delivery receipt signed by the client
- ☐ Conduct monitoring of bulk fuel vendors
- ☒ Bulk fuel vendors are required to submit reports to the Grantee
- ☒ Vendor agreements specify requirements selected above, and provide enforcement mechanism
- ☒ Other – describe: Printed delivery slips or computer printouts are required.

17.10. Investigations and Prosecutions

Describe the Grantee's procedures for investigating and prosecuting reports of fraud, and any sanctions placed on clients/staff/vendors found to have committed fraud. Select all that apply.

- ☒ Refer to state Inspector General
- ☒ Refer to local prosecutor or state Attorney General
- ☒ Refer to US DHHS Inspector General (including referral to OIG hotline)
- ☒ Local agencies/district offices or Grantee conduct investigation of fraud complaints from public
- ☒ Grantee attempts collection of improper payments. If so, describe the recoupment process.

LAAs are instructed to recoup the value of the assistance rendered to ineligible applicants, when applicable. As stated on the back of the LIHEAP applications, applicants are fully liable for repayment in these situations. LAAs are encouraged to use the applicable recoupment notice template provided by DHCD. The notice advises applicants of their responsibility to make restitution. LAAs are advised to reduce the client's benefit level in the subsequent program year or pursue collection/legal action.

- ☐ Clients found to have committed fraud are banned from LIHEAP assistance. For how long is a household banned?
- ☒ Contracts with local agencies require that employees found to have committed fraud are reprimanded and/or terminated
- ☒ Vendors found to have committed fraud may no longer participate in LIHEAP
- ☒ Other — describe: An applicant with stop pay or recoupment situation can apply for LIHEAP, however, no payments can be issued until either the applicant submits information that clarifies or corrects their application or the benefit amount inappropriately received is repaid.

Section 18: Certification Regarding Debarment, Suspension, and Other Responsibility Matters

Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective primary participant is providing the

certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.

6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person

who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage

sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, [[Page 33043]] should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled ``Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility an Voluntary Exclusion--Lower Tier Covered Transactions

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

☒ By checking this box, the prospective primary participant is providing the certification set out above.

Section 19: Certification Regarding Drug-Free Workforce Requirements

This certification is required by the regulations implementing the Drug-Free Workplace Act of 1988: 45 CFR Part 76, Subpart, F. Sections 76.630(c) and (d)(2) and 76.645(a)(1) and (b) provide that a Federal agency may designate a central receipt point for STATE-WIDE AND STATE AGENCY-WIDE certifications, and for notification of criminal drug convictions. For the Department of Health and Human Services, the central point is: Division of Grants Management and Oversight, Office of Management and Acquisition, Department of Health and Human Services, Room 517-D, 200 Independence Avenue, SW Washington, DC 20201.

Certification Regarding Drug-Free Workplace Requirements (Instructions for Certification)

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification set out below.
2. The certification set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. For grantees other than individuals, Alternate I applies.
4. For grantees who are individuals, Alternate II applies.
5. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
6. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios).
7. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph five).
8. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

Controlled substance means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

Conviction means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

Criminal drug statute means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

Employee means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All direct charge employees; (ii) All indirect charge employees unless their impact or involvement is insignificant to the performance of the grant; and, (iii) Temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

Certification Regarding Drug-Free Workplace Requirements

Alternate I. (Grantees Other Than Individuals)

The grantee certifies that it will or will continue to provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing an ongoing drug-free awareness program to inform employees about --
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will --
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- (e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position

title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted -

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

(B) The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

Department of Housing and Community Development
100 Cambridge Street, Suite 300, Boston, Suffolk County, MA 02114

Check if there are workplaces on file that are not identified here.

Alternate II. (Grantees Who Are Individuals)

(a) The grantee certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant;

(b) If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, he or she will report the conviction, in writing, within 10 calendar days of the conviction, to every grant officer or other designee, unless the Federal agency designates a central point for the receipt of such notices. When notice is made to such a central point, it shall include the identification number(s) of each affected grant.

[55 FR 21690, 21702, May 25, 1990]

☒ By checking this box, the prospective primary participant is providing the certification set out above.

Section 20: Certification Regarding Lobbying

The submitter of this application certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

☒ By checking this box, the prospective primary participant is providing the certification set out above.